# GOVERNMENT OF INDIA
# NEW AND RENEWABLE ENERGY
# LOK SABHA

UNSTARRED QUESTION NO:2626
ANSWERED ON:01.12.2016
Cess on Coal
Deo Shri Arka Keshari;Reddy Shri Ponguleti Srinivasa

**Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:**

(a) whether the cess on coal is being used for generating solar energy other than the donor States;
(b) if so, the details of these States and the solar energy investment in the country during the current year;
(c) whether the Government proposes to invest a part of the cess on coal for research and development of Clean Energy Technology (CET) in the donor States;
(d) if so, the details of investment likely to be made, State-wise;
(e) whether the Government proposes to announce tax incentives for electricity storage technology manufacturing and other steps like viability gap funding; and
(f) if so, the details thereof?

## Answer

THE MINISTER OF STATE FOR POWER, COAL, NEW AND RENEWABLE ENERGY & MINES (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)

(a): National Clean Energy Fund (NCEF) was created out of cess on Coal produced / imported ("polluter pays" principle) for the purposes of financing and promoting clean energy initiatives, funding research in the area of clean energy or for any other purpose relating thereto. All clean energy as well as clean environment initiatives are eligible for funding under NCEF including solar energy generation throughout the country irrespective of the donor states.
(b): Till 31-10-2016, a sum of Rs 1308.36 crore has been released as central financial assistance(CFA) by Ministry of New and Renewable Energy (MNRE) to install solar energy projects all over the country during the current financial year. The state-wise installed capacity of Grid Interactive solar power during the current financial year 2016-17 (as on 31-10-2016) is given in the Annexure.
(c)&(d): Any project/scheme relating to Innovative methods to adopt to Clean Energy Technology and Research & Development (R&D) shall be eligible for funding under the NCEF, irrespective of the state. MNRE has released a total sum of Rs 176.15 crore upto 31-10-2016 as CFA to various institutions / organisations to promote R&D activities during the current financial year.
(e) & (f): The tax exemptions including Viability Gap Funding (VGF) are already available for renewable energy projects and if the electricity storage technology is a part of the projects, the electricity storage component will also be eligible for the tax exemption. No separate tax exemption or VGF is being provided at present for electricity storage technology manufacturing.
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